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REMARKS/ARGUMENTS

Reconsideration and withdrawal of the rejection of the application are respectfully requested in view of the amendments and remarks herewith, which place the application into condition for allowance. The present amendment is being made to facilitate prosecution of the application.

I. STATUS OF THE CLAIMS AND FORMAL MATTERS

Claims 1-19 are pending. Claims 1 and 11 are independent. Claims 1-19 are hereby amended. No new matter has been introduced. It is submitted that these claims, as originally presented, were in full compliance with the requirements of 35 U.S.C. §112. Changes to the claims are not made for the purpose of patentability within the meaning of 35 U.S.C. §101, §102, §103, or §112. Rather, these changes are made simply for clarification and to round out the scope of protection to which Applicant is entitled.

II. REJECTIONS UNDER 35 U.S.C. §102(b) and §103(a)

Claims 1-5, 8-14 and 17-19 were rejected under 35 U.S.C. §102(b) as allegedly anticipated by U.S. Patent No. 4,829,569 to Seth-Smith, et al. (hereinafter, merely "Seth-Smith").

Claims 6, 7, 15 and 16 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over Seth-Smith in view of U.S. Patent No. 5,602,917 to Mueller (hereinafter, merely "Mueller").

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Claim 1 recites, inter alia:

"A data transmission controlling method...comprising:

transmitting data encrypted by said data transmitting means to said data receiving means over said first communication channel provided for data transmission from said data transmitting means to said data receiving means;

wherein prior to transmitting said encrypted data over said first communication channel, said <u>data transmitting means</u> encapsulates data to be transmitted from said data transmitting means to data receiving means into data capsules in accordance with a first protocol and a second protocol;

wherein said data to be transmitted is first encapsulated in accordance with said first protocol and further encapsulated in accordance with said second protocol;" (Emphasis added)

As understood by Applicant, Seth-Smith relates to a subscription television system in which individual decoders are enabled to receive individually addressed messages. The composite signal, including video and teletext, also comprises addressed packets, which are detected by decoders and which indicate that a message addressed to a particular subscriber is forthcoming, and system control data. The decoder detects an addressed packet addressed to itself, whereby it is enabled to select the appropriate teletext message and to display the same. The addressed packet is decrypted using a decoder-specific code and a system key transmitted as part of the system control data, while the teletext packet is decrypted using the system key, but cannot be received until the addressed packet has been decrypted.

Applicant submits that Seth-Smith does not teach or suggest the above identified features of claim 1. Specifically, Seth-Smith does not teach or suggest a data transmission controlling method wherein prior to transmitting said encrypted data over said first communication channel, said data transmitting means encapsulates data to be transmitted from said data transmitting means to data receiving means into data capsules in accordance with a first

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protocol and a second protocol and said data to be transmitted is first encapsulated in accordance with said first protocol and further encapsulated in accordance with said second protocol, as recited in independent claim 1.

Further, Mueller fails to cure the deficiencies of Seth-Smith.

Therefore, Applicant submits that independent claim 1 is patentable.

For reasons similar to, or somewhat similar to, those described above with regard to independent claim 1, independent claim 11 is also believed to be patentable.

III. DEPENDENT CLAIMS

The other claims in this application are each dependent on an independent claim discussed above, and are therefore believed patentable for at least the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

CONCLUSION

In the event the Examiner disagrees with any of statements appearing above with respect to the disclosure in the cited reference, or references, it is respectfully requested that the Examiner specifically indicate those portions of the reference, or references, providing the basis for a contrary view.

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In view of the foregoing amendments and remarks, it is believed that all of the claims in this application are patentable and Applicant respectfully requests early passage to issue of the present application.

Respectfully submitted,

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